



U.S. DEPARTMENT OF ENERGY
Office of Electricity Delivery and
Energy Reliability

ENERGY ASSURANCE DAILY

Wednesday, May 03, 2006

Electricity

70 mph Winds Leave 30,000 Tarrant County, TX Customers Without Power

As of 7:30 AM today, 30,000 customers in Tarrant County, TX were left without power after they were hit by 70 mph winds. TXU Electric Utility did not have an estimated restoration time, but all available crews have been called in to help in the restoration effort.

http://www.centredaily.com/mltd/dfw/news/local/14489932.htm?source=rss&channel=dfw_local

PECO to Invest Over \$215 Million to Improve Electricity Reliability in Southeast Pennsylvania

PECO will be investing a total of over \$215 million in about 200 local reliability projects to reduce the number and duration of service interruptions to its customers in southeastern Pennsylvania. The investment includes \$53 million for expansion of distribution capacity, \$24 million for reliability improvement, \$100 million for maintenance work, and \$15 million for natural gas main replacement project.

http://pro.energycentral.com/professional/news/power/news_article.cfm?id=6631044

PG&E's New 230 Kilovolt Jefferson-Martin Transmission Line Begins Service in California

On April 28, PG&E's Jefferson-Martin transmission line started servicing the San Mateo area market. With the launch of a new transmission line, PG&E will permanently close its Hunter Point Plant on May 15 as scheduled.

http://pro.energycentral.com/professional/news/power/news_article.cfm?id=6630270

New 130 MW Biomass Power Plant to be Built in Central Florida

Biomass Investment Group plans to build a 130 MW "environmental friendly" power plant at Crystal River, Florida that burns biomass. Pending PSC approval, the plant will begin service in the first quarter of 2009.

<http://www.platts.com/Coal/News/7430098.xml?p=Coal/News&sub=Coal>

NERC to Implement Eight Cyber Security Standards

North American Electric Reliability Council (NERC) will implement eight new cyber security standards on June 1, 2006. The new standards address asset identification, security management controls, personnel and training, perimeter security, systems security, incident reporting and response planning, and recovery plans. These new standards are intended to provide better protection of power systems from cyber attacks.

http://pro.energycentral.com/professional/news/power/news_article.cfm?id=6631486

Major Utilities Adopt New Standards to Prevent Blackouts

According to Serveron Corporation more than a dozen major electric utilities are now monitoring their transformers to prevent blackouts. Reuters reports that according to data published by Hartford Steam Boiler, about 1,500 out of 100,000 major power transformers failed unexpectedly every year.

Reuters, 10:54 May 3, 2006 from Business Wire

Reliant's 215 MW Mandalay 2 Gas-fired Unit in California Shut May 1

Reuters, 21:45 May 2, 2006

TXU's 565 MW Monticello 2 Coal-fired Unit in Texas Shut May 1

Reuters, 21:45 May 2, 2006

SCE's 263 MW Big Creek Hydro-powered Unit in California Shut May 2

Reuters, 21:45 May 2, 2006

Calpine's 211 MW Gas-fired Los Medanos Unit in California Shut May 2

Reuters, 21:45 May 2, 2006

TXU's 565 MW Monticello 1 Coal-fired Unit in Texas Shut May 3

Reuters, 08:19 May 3, 2006

Petroleum

Final Update from MMS on Oil & Gas Shut-in Statistics for Hurricanes Katrina and Rita

79 out of the 819 (9.6 %) manned platforms in the Gulf of Mexico (GOM) are still evacuated. Shut-in oil production is 324,445 BOPD. This shut-in oil production is equivalent to 21.6 % of the daily oil production in the GOM, which is currently approximately 1.5 million BOPD. The cumulative shut-in oil production for the period 8/26/05-5/3/06 is 153,527,593 bbls, which is equivalent to 28.0% of the yearly production of oil in the GOM (approximately 547.5 million barrels).

<http://www.mms.gov/ooc/press/2006/press0503.htm>

GOM Exploration Companies Make Changes to Better Protect Rigs and Platforms

Minor changes have been implemented to limit damage to offshore oil and gas equipment, and long term changes are also being studied. Some of the small changes include increasing the number of mooring lines, raising the platforms higher out of the water, and installing devices on the equipment to measure forces that cause damage.

Reuters, 18:53 May 2, 2006

Enbridge to Build a Crude Oil Terminal with 5 Million Barrels Capacity in Alberta

Enbridge announced that it will develop a new crude oil terminal separate from but near its existing terminal at Hardisty, Alberta. The construction is estimated to cost about \$250 million for a capacity of 5 million barrels and to take between 24 and 30 months to complete. The facility is anticipated to start service in September 2008.

<http://biz.yahoo.com/iw/060503/0126767.html>

<http://www.platts.com/Oil/News/8415074.xml?p=Oil/News&sub=Oil>

Central States to Build 100+ Million Gallon Ethanol Plant in Indiana

Central States plans to build the large ethanol production facility next to its grain terminal in Montpelier. The facility will be able to produce between 100 and 110 million gallons of ethanol per year.

Reuters, 15:17 Reuters, May 2, 2006

More Trouble at Qua Iboe Terminal

Protest May 2 Briefly Shuts-in ExxonMobil Production in Nigeria

ExxonMobil evacuated workers during this labor dispute. According to Reuters, ExxonMobil says that production was curtailed for only a brief time and has since resumed.

Reuters, 19:43 May 2, 2006

Natural Gas

Northern Border Completes 130 Million cf/d Chicago III Expansion Project

Northern Border Pipeline Company completed its Chicago III expansion project and began transporting 130 million cf/d natural gas to the Chicago area on April 30. This is Northern Border's third expansion in the Chicago market.

<http://biz.yahoo.com/bw/060502/20060502006240.html?v=1>

Final Update from MMS on Oil & Gas Shut-in Statistics for Hurricanes Katrina and Rita

79 out of the 819 (9.6 %) manned platforms in the Gulf of Mexico (GOM) are still evacuated. Today's shut-in gas production is 1.295 BCFPD. This shut-in gas production is equivalent to 12.95% of the daily gas production in the GOM, which is currently approximately 10 BCFPD. The cumulative shut-in gas production 8/26/05-5/3/06 is 748.900 BCF, which is equivalent to 20.518 % of the yearly production of gas in the GOM (approximately 3.65 TCF).

<http://www.mms.gov/ooc/press/2006/press0503.htm>

Williams, ONEOK Enter Joint Venture to Build a 750-mile NGL Pipeline from Wyoming to Kansas

Williams and ONEOK, Inc. have agreed to a joint venture to develop a new pipeline that will transport natural gas liquids from southwestern Wyoming to central Kansas. Williams initiated the project last year; ONEOK will be joining now as a partner. The pipeline is projected to go into service in early 2008.

<http://biz.yahoo.com/prnews/060503/nyw064.html?v=47>

GOM Exploration Companies Make Changes to Better Protect Rigs and Platforms

See story in Petroleum section.

Other News

Nothing to report.

Energy Prices

U.S. Oil and Gas Prices			
May 3, 2006			
	Today	Week Ago	Year Ago
CRUDE OIL			
West Texas Intermediate U.S.	72.30	66.25	54.12
\$/Barrel			
NATURAL GAS			
Henry Hub	6.56	6.98	7.50
\$/Million Btu			

Source: Reuters

Energy Notes

FERC Forms a New LNG Compliance Branch for Safety, Environmental Issues

<http://intelligencepress.com/subscribers/daily/news/d20060503g.html>

National Grid Says Software Problem Delayed Accurate Power Outage Report on February Wind Storm

<http://timesunion.com/AspStories/story.asp?storyID=477409&category=BUSINESS&BCCode=HOME&newsdate=5/2/2006>

Iraqi Oil Ministers Says Iraq's Exports Hit Postwar High in April 2006

Reuters, 03:34 May 3, 2006

Links

This Week in Petroleum from the Energy Information Administration (EIA)

<http://tonto.eia.doe.gov/oog/info/twip/twip.asp>

Updated every Wednesday.

Weekly Petroleum Status Report from EIA

http://www.eia.doe.gov/oil_gas/petroleum/data_publications/weekly_petroleum_status_report/wpsr.html

Updated after 10:30 AM and 1:00 PM EST every Wednesday.

Natural Gas Weekly Update from EIA

<http://tonto.eia.doe.gov/oog/info/ngw/ngupdate.asp>

Updated after 2:00 PM EST every Thursday.

ENERGY ASSURANCE DAILY

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<http://www.oe.netl.doe.gov/index.aspx>.

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